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IDAHO PURLID UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| IN THE MATTER OF THE PETITION OF |) CASE NO. IPC-E-13-09 |
|----------------------------------|--------------------------------|
| GLANBIA FOODS, INC. FOR |) |
| APPROVAL OF A LINE EXTENSION |) GLANBIA FOODS, INC.'s ANSWER |
| ALLOWANCE PURSUANT TO IDAHO |) TO IDAHO POWER'S PETITION |
| POWER COMPANY'S RULE H |) FOR CLARIFICATION AND/OR |
| |) RECONSIDERATION |

Pursuant to Rule 331(05) of the Rules of Procedure of the Idaho Public Utilities

Commission ("Commission"), Glanbia Foods, Inc. ("Glanbia") by and through its attorney of record, Peter Richardson, hereby lodges its Answer to Idaho Power Company's ("Company")

Petition for Clarification and/or Reconsideration ("Petition").

RECONSIDERATION

Idaho Power's Petition is more that a request for mere clarification and ought to be treated as a true Petition for Reconsideration pursuant to Idaho Code Section 61-626, which requires the Commission to issue its order on reconsideration within twenty eight days of Idaho Idaho Power's filing.

ANSWER

Incremental Versus Total Load

Idaho Power's Petition asserts, with respect to the load an allowance should apply to that:

The Company believes a scalable allowance is appropriately applied based on <u>incremental</u> load added by the customer at a specific premise. Otherwise, if every industrial customer who requested an upgrade received an allowance based on existing load plus new load, the practice could lead to duplicative allowances over time and an inappropriate building of ratebase.¹

Idaho Power's concern is misplaced. Glanbia is paying for an entirely new connection and substation. It is therefore freeing up capacity at a substation that will no longer be used to serve it. The allowance should be applied to the load associated with new construction and new facilities. It should not be based on the load associated with unused, idle facilities that are returned to the Company's store for service to other customers. If a residential customer builds a new house next door to his existing house, that customer would still be entitled to an allowance despite the fact that it did not have any incremental load. Likewise, if Glanbia builds a new substation and new transmission line to serve its load those costs are incurred for the purpose of serving the entirety of Glanbia's load, not just the incremental load.

By limiting the allowance to just the cost of new facilities, Idaho Power's bogey man is adequately checked. For instance, were Glanbia just adding facilities to the existing substation, the allowance would be applied to just the load associated with those new facilities. In this case, if Glanbia were able upgrade the existing substation to add an additional seven megawatts, then the allowance would be limited to just 7 megawatts. But here, Glanbia is paying for the construction of entirely new facilities that are designed to serve its entire anticipated load of 19 megawatts and it is no longer using the old substation. Idaho Power's Petition for Reconsideration on this issue should be denied.

¹ Petition at 4, emphasis in original.

^{2 -} GLANBIA ANSWER TO PETITION FOR RECONSIDERATION - IPC-E-13-09

OATT Issues

Glanbia fails to see the relationship between the Company's OATT² and this state-jurisdictional interconnection issue. Glanbia is not taking nor is it seeking transmission service under Idaho Power's OATT, therefore the OATT (and how Idaho Power implements and complies with the OATT) is irrelevant to the issues before this Commission. Glanbia does not even meet the definitional requirements in the OATT to be a transmission customer, which provides:

Eligible Customer: (i) Any electric utility (including the Transmission Provider and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff.³

Glanbia is not a Transmission Provider nor is it a Federal power marketing agency and it is not generating electric energy for sale for resale. Glanbia does not even generate electricity, let alone generating electricity for sale for resale. For these reasons the Commission should simply disregard Idaho Power's discussion regarding application of the OATT to this state-jurisdictional interconnection.

DATED this 17th day of October, 2013.

RICHARDSON ADAMS PLLC

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Peter J. Richardson, ISB #3195

Attorneys GLANBIA FOODS, INC.

³ Id. at § 1.13, emphasis in original.

² Idaho Power Company Open Access Transmission Tariff, FERC Docket No. ER10-2126-000.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 17th day of October, 2013, a true and correct copy of the within and foregoing ANSWER TO IDAHO POWER'S PETITION FOR RECONSIDERATION was served in the manner shown to:

| Ms. Jean Jewell | X Hand Delivery |
|-----------------------------------|-----------------------------|
| Commission Secretary | U.S. Mail, postage pre-paid |
| Idaho Public Utilities Commission | Facsimile |
| 472 W. Washington (83702) | Electronic Mail |
| PO Box 83720 | |
| Boise, ID 83720-0074 | |
| | |
| Lisa Nordstrom | X Hand Delivery |
| Donovan Walker | U.S. Mail, postage pre-paid |
| Idaho Power Company | Facsimile |
| PO Box 70 | X Electronic Mail |
| Boise, Idaho 83707-0070 | |
| lnordstrom@idahopower.com | |
| dwalker@idahopower.com | |

Nina Curtis, Administrative Assistant